

FISHER & PAYKEL HEALTHCARE CORPORATION LIMITED
ANNUAL SHAREHOLDERS' MEETING
21 AUGUST 2025

ADDRESS BY NEVILLE MITCHELL
BOARD CHAIR

Good afternoon, everyone. It is a privilege to address you for the first time as Chair of the Fisher & Paykel Healthcare Board. I will be talking about a number of high-level matters that your Board has spent time on over the last year and will largely leave the company's operational matters to Lewis to discuss in his CEO address.

Long-term thinking

First, I wanted to reiterate the context in which your Board and management view this company and our decisions. We have a long-term way of thinking. In some companies, the phrase "long-term" means one to five years. In Fisher & Paykel Healthcare, we take a 15-year – and often, more – perspective.

Each year the management team produces a comprehensive long-term plan that outlines our business objectives, market opportunities and strategies for the next several decades. One of your Board's primary responsibilities is to critique that plan and provide input. The plan does not alter substantially, but it is a critical input to identifying long-term trends and risks.

The plan then determines which R&D activities to prioritise to deliver on our growth aspirations and whether the right people and infrastructure are in place to achieve that. A good example of how we use the long-term plan is our approval of future land expansion. Those joining us in person will have seen that construction is well underway for the fifth building here at East Tāmaki, and you may also recall that we have secured land for our second campus in Karaka. These important infrastructure investments will help ensure the business continues to have the capacity and resources to deliver innovative products well into the future, as identified in the long-term plan.

Global geopolitics

Global politics have been a subject of Board and management review this last year. One of the benefits of long-term thinking is that when challenges arise, we can analyse them through a long term lens. This year, tariffs have been imposed by the US administration. The Board has stayed close to this important topic, and we have consulted with a range of trade policy experts. We have been meeting with senior New Zealand government officials, and we have also taken advice from contacts on the ground in Washington.

Your company's finished goods manufactured in Mexico are currently compliant with a free trade agreement called the USMCA. US tariffs do not apply to these products. Some of the company's products used in treating patients with obstructive sleep apnea are also exempt from tariffs because of an international agreement called the Nairobi Protocol. The newly revised tariff rate of 15% imposed on hospital products made in New Zealand will apply.

To respond to these tariffs, we continue to make decisions aligned with our long-term plan and thinking. We are not looking to make substantive changes to our current arrangements. The team is focused on mitigating cost increases – from any source – by making continuous improvements across every process and function. We believe this is the right thing to do to support our people, keep the trust of our customers, and maintain stability in our operations – all of which are essential for achieving sustainable, profitable growth.

Financial results

Lewis will explain our financial results in more detail, but 2025 was a successful year for your company. Operating revenue surpassed \$2 billion. This was a record revenue result and was in line with our expectations. Net profit after tax was \$377 million, which on an underlying basis was a 43% increase over the previous financial year, or 30% in constant currency – also a great result.

Dividend

As you know, it is our practice to pay a percentage of the company's profit to our shareholders, and for the full financial year, the Board approved dividends totalling 42.5 cents per share. This was an increase of 2% over the previous full year and represented a dividend payout ratio of approximately 66% paid to shareholders. We are committed to ongoing investments in R&D, global sales and support teams, and infrastructure to support our long-term growth. Your Board also believes it is important to maintain a prudent balance sheet. We believe a dividend payout ratio of approximately 65% is the right payout ratio over the long term.

DLTVR recommendations

In addition to rewarding shareholders, the Board believes it is important to reward and retain selected high-performing employees who contribute to our company's success. One way to do this is by awarding discretionary long-term variable remuneration instruments, or DLTVRs. This year, the Board conducted a thorough review of these instruments and approved some modifications. The details are set out in Explanatory Note 4 of the Notice of Meeting. We believe these changes will create better alignment in outcomes for employees and shareholders.

Board update

Before handing off to Lewis, I would like to update you on the composition of the Board. In October last year, Mark Cross joined as a director, and he is up for election for the first time today. Mark is a strategic thinker with extensive governance experience and strong financial acumen. We have been fortunate to have his perspective.

I am sad to announce the retirement of Pip Greenwood with effect from the first of September. Pip was recently appointed to the Australian board of Westpac Banking Corporation and has other commitments chairing the boards of both The a2 Milk Company and Westpac New Zealand Limited. She has provided wise counsel and has been a valued colleague to me. Our intention is to appoint another New Zealand-based director, and we will shortly commence that process.

Recently we farewelled Charlotte Walshe, as she completed her tenure in the Future Directors programme. We continue to support this initiative and will be announcing another talented emerging director to join us in due course.

Before I close, I will remind you that I am standing for re-election as a director at this year's ASM. I have been with Fisher & Paykel Healthcare for almost seven years and remain as committed as ever to our purpose of improving care and outcomes and to delivering value for our shareholders. I believe my executive career and my directorships on a number of healthcare companies provide me with a depth of experience in the medical device industry that adds value to F&P. With your support, I look forward to continuing to work alongside my colleagues on the Board and the wider team.

Finally, I want to say thank you to everyone who supports our success and our long-term way of thinking. That includes the people of Fisher & Paykel Healthcare, as well as our clinical partners, suppliers, customers, and you, our shareholders. Your investment makes a positive difference.

Thank you.

ADDRESS BY LEWIS GRADON MANAGING DIRECTOR AND CHIEF EXECUTIVE OFFICER

Please refer to separate slide presentation.